

STAND. COM. REP. NO.

1750

Honolulu, Hawaii

**MAR 18**, 2025

RE: S.B. No. 40  
S.D. 2  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Madame:

Your Committee on Housing, to which was referred S.B. No. 40,  
S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO STATE FINANCES,"

begs leave to report as follows:

The purpose of this measure is to authorize the Hawaii Housing Finance and Development Corporation to utilize revenue bonds when securing a line of credit or other instrument of indebtedness for the Bond Volume Cap Recycling Program.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that a line of credit is needed for private activity bond recycling to provide liquidity and ensure that funds are readily available to pay off existing bonds as they mature or are redeemed. The line of credit acts as a financial bridge, maintaining continuity in funding and avoiding disruptions in the financing structure, which is critical for compliance with federal law for qualified bonds. This measure will allow the Hawaii Housing Finance and Development Corporation to retire old bonds while waiting for new bonds to be issued or for cash flows from the underlying projects to become available.

2025-2666 SB40 HD1 HSCR HMSO



Your Committee has amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 40, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 40, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Housing,

*ZAC*

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LUKE A. EVSLIN, Chair



Hscr 1350

|  |      |                              |      |         |         |
|--|------|------------------------------|------|---------|---------|
| Bill/Resolution No.: SB40 SDZ  |      | Committee Referral: HSG, FIN |      | Date:   | 3/14/25 |
| <input checked="" type="checkbox"/> The committee is reconsidering its previous decision on the measure.   |      |                              |      |         |         |
| The recommendation is to:<br><input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold<br><input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) |      |                              |      |         |         |
| HSG Members  | Ayes | Ayes (WR)                    | Nays | Excused |         |
| 1. EVSLIN, Luke A. (C)   | ✓    |                              |      |         |         |
| 2. MIYAKE, Tyson K. (VC)   | ✓    |                              |      |         |         |
| 3. COCHRAN, Elle   |      |                              |      | ✓       |         |
| 4. GRANDINETTI, Tina Nakada  | ✓    |                              |      |         |         |
| 5. KILA, Darius K.   | ✓    |                              |      |         |         |
| 6. KITAGAWA, Lisa  | ✓    |                              |      |         |         |
| 7. LA CHICA, Trish   | ✓    |                              |      |         |         |
| 8. MURAOKA, Christopher L.   | ✓    |                              |      |         |         |
| 9. PIERICK, Elijah   |      |                              |      | ✓       |         |
| TOTAL (9)  | 7    | 0                            | 0    | 2       |         |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted<br>If joint referral, _____ did not support recommendation.<br>committee acronym(s)  |      |                              |      |         |         |
| Vice Chair's or designee's signature:  |      |                              |      |         |         |
| Distribution: Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO   |      |                              |      |         |         |